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TO RUEHC/SECSTATE WASHDC PRIORITY 5627
INFO RUCNMEM/EU MEMBER STATES
RUEHKW/AMCONSUL KRAKOW 1930
RUEHGV/USMISSION GENEVA 0860
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RUEATRS/DEPT OF TREASURY WASHDC
RUCPDOC/DEPT OF COMMERCE WASHINGTON DC

UNCLAS WARSAW 002362

SIPDIS

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STATE FOR EEB/TPP/MTA CAROL HENNINGER STATE PASS TO USTR FOR THOMAS FINE

E.O. 12958: N/A

TAGS: ECON ETRD WTRO PL

SUBJECT: WTO/GAMBLING: POLAND LIKELY TO STAY OUT OF THE GAME

REF: STATE 165472

- 11. (SBU) EconOff delivered reftel demarche regarding the WTO dispute settlement proceeding on gambling and betting services to Mieczyslaw Nogaj, Director of the Trade Policy Department at the Polish Ministry of Economy, and to Joanna Katner-Pruszynska, Counselor to the Minister of Economy. She is the Ministry's expert on the General Agreement on Trade in Services (GATS). Katner-Pruszynska stated that internet gambling has been illegal in Poland since 1992. Poland has not taken any active part in the WTO case, because Poland has no affected companies. She also acknowledged the U.S. compensatory offer on research and development, stating, "I know you can't offer anything more in that sector." However, she stated there is a view in the European Commission that the U.S. offer should be rejected because the United States had failed to respond to requests regarding the finance, insurance and telecommunications sectors. EconOff reiterated that the U.S. offer on research and development services alone is significantly larger than the entire U.S. gambling industry.
- 12. (SBU) Katner-Pruszynska stated that the EU position is being driven by the United Kingdom, Ireland and Malta. Nogaj stated that other EU countries had supported Poland in its dispute with Russia regarding exports of fresh meat, even though those countries were not directly affected. Now it is Poland's turn to support those countries, even though Poland would not be directly affected by revision of the U.S. GATS schedule. EconOff noted that the United States had also supported Poland on the meat ban. In any case, Nogaj made clear, Poland sees this at minimum as a good opportunity to keep quiet, and potentially as a cost-free chance to repay past support from other EU members on matters touching Poland's interests more directly. HILLAS